

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
CHARLESTON DIVISION**

ALAN M. GRAYSON, <i>et al.</i> ,)	
)	
Plaintiffs,)	No. 2:07-cv-00593-DCN
)	
vs.)	
)	ORDER
CHARLES CATHCART, <i>et al.</i> ,)	
)	
)	
Defendants.)	
)	

This matter is before the court on a motion to dismiss for lack of personal jurisdiction, or for summary judgment, originally filed by defendants Isle of Man Assurance, Ltd. (“IOMA”), Colin Bowen, and Nigel Wood, ECF No. 986. IOMA and Bowen have since been dismissed from this case with prejudice per consent motions filed by the parties. See ECF Nos. 1106, 1107. As a result, the pending motion is denied as moot to the extent that it relates to IOMA and Bowen. All that remains to be considered is whether the court can exercise personal jurisdiction over Wood.

Because the facts of this case are well known to all parties, the court dispenses with a recitation of them. Instead, the court provides a brief procedural background relating only to the motions addressed herein. Plaintiffs Alan M. Grayson and the AMG Trust filed their third amended complaint in this case on February 4, 2013. The complaint asserts fifteen causes of action, eleven of which are asserted against Wood, a resident and citizen of the Isle of Man:

- (i) Fraud (third cause of action);
- (ii) Aiding and abetting fraud (fourth cause of action);

- (iii) South Carolina Uniform Securities Act fraud (fifth cause of action);
- (iv) Violation of the Racketeer Influenced and Corrupt Organizations Act (“RICO”) (sixth cause of action);
- (v) Negligent misrepresentation (seventh cause of action)
- (vi) Aiding and abetting breach of fiduciary duty (tenth cause of action);
- (vii) Conversion (eleventh cause of action);
- (viii) Civil conspiracy (twelfth cause of action);
- (ix) Violation of the South Carolina Unfair Trade Practices Act (“SCUTPA”) (thirteenth cause of action);
- (x) Fraudulent conveyance (fourteenth cause of action); and
- (xi) Quantum meruit (fifteenth cause of action).

Wood filed his motion to dismiss for lack of personal jurisdiction or, in the alternative, for summary judgment on April 15, 2013. On June 20, 2013, plaintiffs Alan Grayson and the AMG Trust (collectively, “Grayson”) responded to Wood’s motion. At the request of the parties, the court held this motion in abeyance for several months. The motion is, however, now ripe for the court’s review.

Relying substantially on the reasoning of its recently issued order denying Total Eclipse International, Ltd.’s motions to dismiss and for summary judgment, the court now denies Wood’s motion. See Order, Dec. 10, 2013, ECF No. 1114. The court reserves the right to issue a lengthier order on this issue at a later date, but, for now, it suffices to say that Grayson has shown that Wood was enmeshed in the 90% Stock Loan Program through his role as a director of Bancroft Ventures, Ltd. (“Bancroft”). See Pls.’ Resp. to Mot. to Dismiss Ex. 24 (a stock loan marketing & administration agreement between Bancroft and Derivium Capital, LLC); id. Ex. 11 at 5,6 (Wood’s deposition

testimony that he served as a Bancroft director beginning in 2001). Moreover, Wood has sufficient minimum contacts with South Carolina to warrant the court's assertion of specific personal jurisdiction over him. See, e.g., id. Ex. 12 (showing that Wood was a signatory on a bank account established for Bancroft at First Union National Bank of South Carolina).

For the foregoing reasons, the court **DENIES** the motion to dismiss for lack of personal jurisdiction, ECF No. 986, as it relates to defendant Nigel Wood. Because Colin Bowen and IOMA have been terminated as defendants in this case, the court also **DENIES** the motion **AS MOOT** to the extent that it relates to Bowen and IOMA. Because the court has now ruled on the motion to dismiss, it **DENIES AS MOOT** the Request for Renewal of Prior Motions filed by IOMA, Bowen, Wood, and the Isle of Man Financial Trust, ECF No. 1078.

AND IT IS SO ORDERED.

A handwritten signature in black ink, appearing to read 'D. Norton', written over a horizontal line.

DAVID C. NORTON
UNITED STATES DISTRICT JUDGE

December 13, 2013
Charleston, South Carolina